

**[ EXECUTIVE ORDER NO. 161, January 09, 2003 ]**

**TEMPORARILY SUSPENDING THE APPLICATION OF THE TARIFF  
REDUCTION SCHEDULE ON PETROCHEMICAL RESINS AND  
CERTAIN PLASTIC PRODUCTS UNDER THE COMMON EFFECTIVE  
PREFERENTIAL TARIFF SCHEME FOR THE ASEAN FREE TRADE  
AREA**

**WHEREAS**, the Philippines is implementing a program of tariff reduction for petrochemical resins and certain plastic products transferred from the Temporary Exclusion List (TEL) into the Inclusion List (IL) under the Common Effective Preferential Tariff (CEPT) Scheme for the ASEAN Free Trade Area (AFTA);

**WHEREAS**, continued implementation of such tariff reduction schedule would cause real problems with respect to the establishment of a fully integrated and viable domestic petrochemical industry;

**WHEREAS**, the Protocol Regarding the Implementation of the CEPT Scheme Temporary Exclusion List allows a Member State to temporarily delay the transfer of a product from its TEL into the IL, or to temporarily suspend its concession on a product already transferred into the IL, if such a transfer or concession would cause or have caused real problems, by reasons which are not covered by Article 6 of the Agreement;

**WHEREAS**, the Protocol further states that its provisions shall apply only to the last tranche of TEL manufactured products which were in the TEL as of 31 December 1999 or the relevant dates applicable to Cambodia, Lao PDR, Myanmar and Viet Nam;

**WHEREAS**, the last tranche of TEL manufactured products which were in the Philippine TEL as of 31 December 1999 includes subject articles;

**WHEREAS**, pursuant to E.O. 234 dated 27 April 2000, the CEPT rates of duty on subject articles will fall to 5% on 01 January 2003;

**NOW, THEREFORE, I, GLORIA MACAPAGAL ARROYO**, President of the Republic of the Philippines, pursuant to the powers vested in me under Section 402 of the Tariff and Customs Code of 1978 (Presidential Decree No. 1464), as amended, do hereby order:

**SECTION 1.** The implementation of the schedule of tariff reduction by the Philippines on the products listed in "Annex A" hereof under the AFTA-CEPT Scheme is hereby temporarily suspended.

**SECTION 2.** Upon the effectivity of this Executive Order, imports of subject articles from the ASEAN countries shall be levied the rates of import duty indicated in the

aforesaid "Annex A".

**SECTION 3.** In the event that any subsequent changes are made in the basic (MFN) Philippine rate of duty on any of the subject articles, such articles shall automatically be accorded the corresponding amended rate of duty.

**SECTION 4.** All other Presidential issuances, administrative rules and regulations, or parts thereof, which are inconsistent with this Executive Order are hereby revoked or modified accordingly.

**SECTION 5.** This Executive Order shall take effect immediately following its complete publication in two (2) newspapers of general circulation in the Philippines.

Done in the City of Manila, this 9th day of January, the year of our Lord Two Thousand and Three.

**(Sgd.) GLORIA M. ARROYO**

By the President:

**(Sgd.) ALBERTO G. ROMULO**

*Executive Secretary*

**Annex "A"**

Hdg. No	HS Code	Description	Rate of Duty (%)	
			01 January 2003	2004
39.01		Polymers of ethylene, in primary forms.	10	10
	3901.10 00	- Polyethylene having a specific gravity of less than 0.94	10	10
	3901.20 00	- Polyethylene having a specific gravity of 0.94 or more	10	10
39.02		Polymers of propylene or of other olefins, in primary forms.		
	3902.10 00	- Polypropylene	10	10
39.03		Polymers of styrene, in primary forms.		
	3903.11 00	- Polystyrene: - - Expansible	10	10
	3903.19 00	- -Other	10	10
39.04		Polymers of vinyl chloride or of other halogenated olefins, in primary forms.		
ex	3904.10 00	- Polyvinyl chloride, not mixed with any other	10	10